



UNITED STATES DEPARTMENT OF JUSTICE Washington, D.C. 20530

EXHIBIT B

TO REGISTRATION STATEMENT Under the Foreign Agents Registration Act of 1938, as amended

INSTRUCTIONS: A registrant must furnish as an Exhibit B copies of each written agreement and the terms and conditions of each oral agreement with his foreign principal, including all modifications of such agreements; or, where no contract exists, a full statement of all the circumstances, by reason of which the registrant is acting as an agent of a foreign principal. This form shall be filed in duplicate for each foreign principal named in the registration statement and must be signed by or on behalf of the registrant.

Name of Registrant

Name of Foreign Principal

Gray and Company

Check Appropriate Boxes:

1. [5] The agreement between the registrant and the above-named foreign principal is a formal written contract. If this box is checked, attach two copies of the contract to this exhibit.

2. [7] There is no formal written contract between the registrant and foreign principal. The agreement with the above-named foreign principal has resulted from an exchange of correspondence. If this box is checked, attach two copies of all pertinent correspondence, including a copy of any initial proposal which has been adopted by reference in such correspondence.

3. [7] The agreement or understanding between the registrant and foreign principal is the result of neither a formal written contract not an exchange of correspondence between the parties

3. L. The agreement or understanding between the registrant and foreign principal is the result of neither a formal written contract nor an exchange of correspondence between the parties. If this box is checked, give a complete description below of the terms and conditions of the oral agreement or understanding, its duration, the fees and the expenses, if any, to be received.

4. Describe fully the nature and method of performance of the above indicated agreement or understanding.

Lobbying activity regarding issues of economic and security assistance (foreign aid/authorizations/appropriations) and educational exposure concerning the Republic of Turkey to Members of Congress, their staff members and other governmental officials.

5. Describe fully the activities the registrant engages in or proposes to engage in on behalf of the above foreign principal.

See #4/Exhibit B.

6. Will the activities on behalf of the above foreign principal include political activities as defined in Section 1(o) of the Act?1'

Yes S

No []

If yes, describe all such political activities indicating, among other things, the relations, interests or policies to be influenced together with the means to be employed to achieve this purpose.

See #4/Exhibit B.

Date of Exhibit B

Name and Title

August 4, 1983

Gary Hymel Executive Vice President Jan My med

Political activity as defined in Section .(0) of the Act means the dissemination of political propaganda and any other activity which the person engaging therein believes will, or which he intends to, prevail upon, indoctrinate, convert, induce, persuade, or in any other way influence any agency or official of the Government of the United States or any section of the public within the United States with reference to formulating, adopting, or changing the domestic or foreign policies of the United States or with reference to the political or public interests, policies, or relations of a government of a foreign country or a foreign political party.

CONSULTANCY AGREEMENT

Gray and Company (hereinafter referred to as "G & C") is retained by this agreement to assist the Turkish Embassy with respect to certain aspects of relations between the Turkish Republic and the United States. This agreement between G & C and the Embassy of the Republic of Turkey, Washington, D.C., is for the sole purpose of engaging G & C in assisting the Turkish Ambassador and his staff in the United States to communicate the arguments supporting the enhancement of economic assistance, military aid, multilateral lending, commercial trade, and technology transfers to the Turkish Republic.

I. Synopsis of Proposal

- 1. G & C will recommend a legislative strategy for the Ambassador and his staff having as its thesis the dynamic advocacy of Turkey's interest in the United States. G & C will work closely with the Embassy staff and their designated public relations counselors to improve the prospects for the successful resolution of these issues on Turkey's behalf.
- 2. G & C will draw upon its resources to assist the Ambassador of the Turkish Republic, responding at all times to his authority. G & C will assist the Ambassador and his staff in countering any campaign and activities detrimental to the interest and the image of Turkey in the United States.
- 3. To keep the Ambassador and his staff apprised of all the above-mentioned activities and acting upon their instructions, G & C will prepare monthly progress reports and continually update the legislative plan. This and all information will be handled in the utmost confidence with the Ambassador and his staff.

II. Duties and Limits of G & C Authority

- 1. G & C hereby agrees to expend maximum effort to promote the interest of the Republic of Turkey in the United States and within the terms and conditions of this agreement to act on behalf of the Embassy upon its instructions.
- 2. G & C will advise the Turkish Embassy of all U.S. foreign policy issues or developments affecting their interest or any changes in U.S. policy, law, or regulations upon their adoption.
- 3. G & C will aid representatives of the Turkish government in meetings with key Congressmen and government officials as appropriate.
- 4. G & C will initiate, advise, and assist the Turkish Embassy on the suitability and formulation of documents to be addressed to the members of Congress and disseminated in the Congress, as well as the administration and the press.
- 5. G & C will assist the Ambassador and his staff in making more and closer acquaintances with the U.S. policymakers.
- 6. G & C will cooperate fully and, to the extent necessary, integrate their own activities with the public relations firm retained by the Embassy of Turkey in Washington, D.C.
- 7. G & C will have no authority to enter into any contract on behalf of the Turkish Embassy.
- 8. All services proposed by G & C shall be subject to written acceptance by the Embassy except as otherwise authorized by the Ambassador.

9. No fee will be paid for any proposed service refused by the Turkish Embassy.

III. Fees

- 1. G & C's sole compensation will be fees and expenses set forth in this agreement.
- 2. G & C will provide its services for the all-inclusive fee of \$300,000 payable for each year, quarterly in advance. While G & C does not anticipate extraordinary out-of-pocket expenses for items like printed brochures or major travel costs, such expenses will be billed at cost above the annual service retainer, as is their standard practice.
- 3. G & C reserves the right to suspend services pending receipt of its pre-paid fees as specified in Section III, #2.

IV. Confidential Information

1. G & C agrees to safeguard as confidential any economic, military, or political data provided them by the Embassy of the Turkish Republic. They furthermore agree to surrender all such data provided by the Ambassador upon his request and agree not to retain copies of any information in any form.

V. Modification to Agreement

1. This agreement constitutes the only agreement between the

Embassy of the Republic of Turkey and G & C with respect to the inherent subject matter.

2. The contents of this agreement may not be modified, supplemented, or waived except in writing by the signatories to this agreement.

VI. Assignment to Other Parties

1. This agreement shall not be assigned without the prior written consent of the Turkish Embassy.

VII. Length of Agreement

1. This agreement will commence July 1, 1983, with either party having the right to terminate the agreement at any time after one year, upon thirty days' advance notice.

VIII. Termination

- No indemnity or termination benefits will be payable to G & C upon the termination of this agreement.
- 2. The Turkish Embassy will pay only those fees accumulated up to the termination date.

IX. Applicable Law

In view of the consideration that quarterly fees will be paid in advance, the laws of Turkey shall govern any interpretation or litigation concerning this agreement.

IN WITNESS THEREOF

Embasey of the Republic of Turkey

2 Bujust 1983

Gray and Company

August 2, 1983